

Administration

Employee  
Responsibilities

Outside Employment:  
Employee  
Responsibilities

**OVERVIEW:**

- .01 ✂ The Laboratory seeks to avoid conflict-of-interest situations ✂ whenever possible. Conflict-of-interest policies apply to all Laboratory employees. Laboratory Affiliates may be subject to requirements intended to avoid or mitigate organizational conflicts of interest (OCI). See [AM 1201](#), *General Information*. Because the prohibitions apply to both real and apparent conflicts of interest, the conflict-of-interest policies apply whether the employee actually engages in the prohibited activity or simply is in a position in the Laboratory to take advantage of such information or authority.

**CONFLICT OF INTEREST  
DEFINED:**

- .02 ✂ Conflict-of-interest situations may involve either actual conflicts of interest or those situations in which there is an appearance of conflict of interest. An actual conflict of interest exists when a Laboratory employee exercises his or her judgment while performing work duties in a manner to benefit his or her personal interests. An appearance of conflict of interest exists when a third-party observer could reasonably conclude from the facts that a likelihood exists, in the absence of reasonable safeguards, that an actual conflict of interest could be created.

**PROHIBITIONS:**

- .03 A Laboratory employee normally is prohibited from participating in outside employment activities when a conflict-of-interest situation exists. Outside employment includes any business or employment activity such as any commercial, industrial, or corporate enterprise that results in some gain, benefit, advantage, or livelihood to an individual or organization. These policies apply whether the employee is doing business as an individual or as a company in which he or she has a proprietary ownership, equity interest, or contractual

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arrangement. An employee is also prohibited from continuing with an activity when a real or apparent conflict of interest arises after initial approval from the Laboratory. Exceptions may be made after full disclosure and approval by management.

### Examples

- .04 A conflict-of-interest situation may involve, but is not limited to, the following kinds of circumstances:

While performing regular duties, an employee may become involved in a contract or other agreement with an organization with which the employee has an employment, consulting, or financial interest.

The employee could become aware of information relating to future purchases, equipment or supply needs, product specifications, or progress of research and development at the Laboratory that may be of benefit to an outside organization with which the employee is associated.

An employee may be in a position to influence decisions about Laboratory activities that could benefit an outside organization where an employment, consulting, or financial interest exists.

An employee could be working with a consultant to the Laboratory whose employer or other clients may benefit from information or data available at the Laboratory but not generally accessible to the public.

An employee who is a principal investigator or a near relative of such employee has a financial interest in or receives monetary benefit from the entity that is funding the research work when such entity is other than the University of California (UC) or the Department of Energy (DOE).

An employee receives information about work that could be performed by the Laboratory and directs that work to an outside organization in which the employee has an employment, consulting, or financial interest.

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## Outside Employment: Employee Responsibilities

### EMPLOYEE RESPONSIBILITIES:

- .05 Each Laboratory employee must inform his or her supervisor(s) of intended outside employment. If the activity is described in .08 below, the employee must report the work on an Outside Activity Permission Request Form, Form 701.

### USE OF LABORATORY FACILITIES:

- .06 Regardless of whether special approval is required, Laboratory facilities, locations, supplies, equipment, or resources must not be used for unofficial purposes. This does not preclude the employee teaching at Laboratory locations under contract with the University of New Mexico or using the J. Robert Oppenheimer Study Center Library. *See also* [AM 701](#), *Government Property*.

### RIGHTS TO TECHNICAL DATA:

- .07 An employee who is asked to sign any outside employment agreement relating to rights to inventions or patents must inform the outside organization that the UC and DOE may have priority rights to any such invention or patent and that the employee may not, by contract or otherwise, waive or ignore these rights. An employee may not enter into an agreement assigning rights to inventions or patents that conflicts in any way with rights to such inventions or patents assigned to the UC in the employee's UC patent agreement. If the employee makes an invention under any outside employment agreement, the employee is obligated by his or her University patent agreement to disclose the invention to the University for a determination whether the University and/or DOE has rights in the invention.

### APPROVALS:

#### Activities Requiring Associate Director (AD) Approval

- .08 An employee who intends to engage in one of the following outside employment activities must complete a Form 701 (available in the employee's Group Office or from Laboratory Counsel [LC]) and submit it to his or her immediate supervisor for appropriate review and approval. If an agreement is proposed with an outside organization, the employee must attach a copy of the agreement to the Form 701.

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Working in the energy or national security fields,

Working for a government agency or contractor,

Working for another unit of the University of California (except as provided in [AM 1119](#), University of California Personnel Assignment Program [UCPAP]),

Teaching for a college or university,

Working for an organization whose activities are scientific or technical in nature, or

Consulting or comparable employment service.

- .09 The employee may not begin work on the 701 activity until the Associate Director (AD) has signed the form indicating approval.

### Activities Not Approved

- .10 The AD should usually deny the request to approve a 701 activity if the activity

Relates to a contract with the Laboratory, DOE, or any other federal government agency for which the Laboratory does similar work;

**NOTE:** If the Laboratory is not assigned by DOE to do the work for another DOE integrated contractor or a Department of Defense (DoD) agency, the Laboratory employee may be allowed to engage in the outside activity to serve the needs of the government agency contracting for the services.

Creates ~~✂~~ a conflict-of-interest situation;

Has the potential for disclosure of privileged information as it is described in [AM 721](#),

Conflict of Interest: Privileged Information; or

Subjects or appears to subject the Laboratory and/or DOE to public embarrassment or criticism.

### Withdrawing Approval

- .11 After a 701 activity has been approved, approval may be withdrawn if changes in circumstances result in

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Interference with the performance of the employee's regular duties or

A real or apparent conflict of interest.

### Length of Approval

- .12 Approval of a Form 701 is limited to 1 year from the date specified on the form.

### Renewals

- .13 To renew approval of a 701 activity, the employee must submit a new Form 701 before the expiration of the date specified on the original form.

### DISALLOWED ACTIVITIES:

- .14 After an employee has established an employment relationship with an outside organization, he or she may not

Participate in negotiations with or selection of a subcontract for which such outside organization is being considered.

Prepare for the Laboratory or DOE an evaluation of the technical capabilities or performance of such outside organization.

Prepare for the Laboratory or DOE an evaluation of the technical capabilities or performance of a competitor of such outside organization.

Participate in any contract activity, such as termination or award fee evaluation, of such outside organization or its competitors.

Engage in an activity if it subjects the Laboratory or DOE to public embarrassment, criticism, or discredit.

### FOREIGN EMPLOYMENT:

- .15 In addition to the above, prior approval is required from the Deputy Assistant Secretary for Military Application (DASMA) through the Personnel and Information Security Group (OS-15) for any proposed arrangement where a Laboratory employee receives fees for consulting or comparable employment from a foreign government or organization. (OS-15 collects the paperwork from the employee and transmits it to DASMA but is not involved in the approval process.) At least 30 days before the expected action date, the employee sends a memorandum from or through the appropriate

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division-level manager to OS-15 containing the following information:

Name of employee,

Relevant dates,

Cities and institutions to be visited,

Subject matter of the consultancy or discussion, and

Type and amount of remuneration.

**NOTE:** This prior additional approval from DASMA is not required if any payments or reimbursements, in whatever form, are to come from an international organization (for example, the International Atomic Energy Agency [IAEA] or the North Atlantic Treaty Organization [NATO]) that the United States supports as a matter of government policy. ✂

The employee must attach a copy of the Form 701 indicating that all Laboratory approvals have been received.

### DISCIPLINARY ACTION:

- .16 Failure to comply with these provisions may result in disciplinary action, up to and including termination of employment.